Corporate Office & Correspondence Address
No 77, 16th Cross, Sector-IV, HSR Layout, Bengaluru - 560 102
+91 80 47762900 +91 80 47762901

August 8, 2026

To,
Corporate Relationship Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001.

(BSE Scrip Code : 512068)

Dear Sir / Madam,

Sub: Clarification on Unaudited Financial Results for the Quarter Ended June 30, 2026

Deccan Gold Mines Limited ("Company") has received queries from certain shareholders seeking clarification on the financial performance for the quarter ended June 30, 2026 compared to the quarter ended March 31, 2026.

In the interest of providing additional context to shareholders and investors, the Company wishes to clarify the following:

1. Improved Performance of Associate Companies:

The Company recognised a share of profit from two of its associates of Rs. 66.44 million during Q1 FY'27 as detailed hereunder.

This strong performance was predominantly driven by higher production, increased inventory and improved operational throughput at Geomysore Services (India) Private Limited, India ("**Geomysore**"), demonstrating the ongoing scale-up of its mining operations.

Share of Profit (INR Mn)	Geomysore	Kalevala Gold Oy, Finland	Total
Q1 FY27 (Apr-Jun 2026)	63.48	2.97	66.44
FY 2025-26 (Full Year)	74.90	(0.39)	74.51

Thus, the Company's total share of associate profit is drawn from two associates - Geomysore and Kalevala Gold Oy, Finland - which should be read together as the combined "Share of Profit of Associates" line in the results.

Geomysore - Gold & Dore Bar production and inventory

GMSI continued its production ramp-up during the quarter at Swarnagiri (Jonnagiri), which is the primary driver of the Company's associate income:

	Opening (1-Apr-26)	Produced in Q1	Sold / Dispatched	Closing (30-Jun-26)
Gold (kg)	10.60	89.70	59.00	41.30
Dore (kg)	50.34	112.68	101.86	61.16

Note: Dore is dispatched to the internal refinery where gold is produced and sold

Geomysore's continued ramp-up in production and inventory is expected to support higher revenues and profitability in the coming quarters. As the Company accounts for Geomysore under the equity method, improved performance of the associate is expected to contribute positively to the Group's consolidated earnings.

2. The Headline: A Clear Year-on-Year Turnaround

The most meaningful lens for this quarter's performance is the year-on-year comparison, which shows a genuine and sustained improvement in the Company's underlying trajectory:

Standalone (Rs. Mn)	Q1 FY27 (Jun-26)	Q1 FY26 (Jun-25)	YoY Movement
Total Income from Operations	114.36	31.21	**+266%**
Net Profit / (Loss)	11.52	(155.90)	**Loss to Profit**

Consolidated (Rs. Mn)	Q1 FY27 (Jun-26)	Q1 FY26 (Jun-25)	YoY Movement
Total Income from Operations	6.02	3.86	**+56%**
Total Profit / (Loss)	(87.26)	(281.26)	**Loss narrowed 69%**
Share of Profit of Associates (Geomysore + Kalevala)	66.44	(11.17)	**Loss to Profit**

3. Sequential Quarter-on-Quarter Performance:

Compared with Q4 FY26, profitability and revenues were lower in Q1 FY27 primarily due to non-operational and project-related factors.

Particulars (Rs. Mn)	Q1 FY27 (Jun-26)	Q4 FY26 (Mar-26)
Standalone Total Income	114.36	167.89
Standalone Net Profit	11.52	66.94
Consolidated Total Income	6.02	93.36
Consolidated Total P/(L)	(87.26)	57.35

The change in profitability during Q1 FY27 compared to Q4 FY26 was mainly attributable to:

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- Foreign exchange losses during the current quarter as compared to favourable exchange gains in the preceding quarter.
- Higher finance costs due to increased borrowings for project funding. Standalone finance costs increased from Rs. 1.56 million to Rs. 6.31 million, while consolidated finance costs increased from Rs. 1.45 million to Rs. 6.14 million.
- Increased project evaluation, geological, technical, regulatory and development expenditure incurred for advancing the Company's mining projects.
- Higher employee and administrative expenses arising from the strengthening of technical and operational teams.
- Increased development expenditure at the Altyn Tor Gold Project, Kyrgyz Republic, as it progresses towards production, together with development-stage losses incurred by Avelum Partner LLC.

4. Why is consolidated revenue lower than stand-alone revenue?

This is the most common question raised, and the explanation is a straightforward consequence of consolidation accounting rather than any decline in external business:

- Standalone "Other Operating Income" of Rs. 80.52 Mn for Q1 FY27 substantially comprises interest income earned on funding extended by the Company to its subsidiaries (approximately Rs. 76.6 Mn).
- On consolidation, all such inter-company income and corresponding expense are eliminated, as required under Ind AS.
- Consolidated revenue therefore reflects only income earned from external, third-party sources — which is why it is and will typically be lower than the standalone figure.

5. Outlook

The Company remains optimistic about the long-term value creation potential from the Altyn Tor Gold Project and the continued growth in production and profitability of Geomysore Services (India) Private Limited while simultaneously strengthening its portfolio of operating and development-stage mineral assets.

Yours truly
For Deccan Gold Mines Limited

SUBRAMANIAM SUNDARAM

Digitally signed by SUBRAMANIAM SUNDARAM
Date: 2026.08.08 14:33:45 +05'30'

Subramaniam Sundaram
Company Secretary & Compliance Officer
Membership No. A 12110